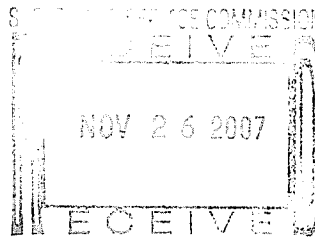


189583

2004.2198



PO Box 539
Little Rock S.C.
29567
Ph: 843 841 1606
Fx: 843 774 2050

Nov, 14, 2007

Supervisor
Customer Service Center
Progress Energy Carolinas, Inc
P.O. Box 2041
Raleigh, N.C. 27602

Fax: 1 919 232 5601

Attn: Mr. Cagle; Jo Anne, Analyst

Dear Sirs:

Subject: Formal Notice of Non Compliance with Settlement
Agreement Re Connection of Electric Power

Ref: Account No. 221-185-1577; B. E. Wallenstein
Telefax Memoranda dated Oct. 5, 11, 15, 22, and Nov. 6, 2007.

Paragraphs 1 & 2 and 5 of Mutual Release dated Sept. 18, 2007

For the Record.

1. This is the ~~sixth~~ notice further to my previous five notices and attempts at mitigation of the issues pursuant to Progress Energy Carolinas Inc's non-compliance with the referenced Mutual Release.

2. It is now some fifty eight (58) ^x days since Progress Energy agreed to immediately connect electric service to my residence. Please refer to paragraphs 1 and 2 of the Release with which I have fully complied. Progress has not yet done so, and that you continue in breach of the settlement agreement executed on September 18, 2007.

3. Pursuant to my notice duly filed with your Office on October 5, 2007, I again hereby remind you that I am assessing a Late Penalty Fee of one hundred dollars per day (\$100.00) for each and every day that your company does not connect electric power to my residence as agreed.

6. The accrued Late Penalty Fee to date is \$ 4,000 and counting until you connect power to my residence.

1 x 68 days
all 11/24/07

7. Notice is hereby given that your continued violation of the settlement agreement has induced my request for further relief from the court. Costs of such actions would be claimed as further penalty for your breach of the agreement. To mitigate such an event I request your immediate connection of electric power to my residence as agreed.

8. I again remind you that I have duly requested administrative relief and mitigation from the Public Service Commission of S.C on several occasions dating since the signing of the Mutual Release on September 18, 2007. These requests referred to paragraphs 1 & 2 of the Release concerning connection of electricity to my residence, and paragraph 5 of the Release concerning the changeover of providers.

9. Since my notice to you of October 11, 2007, I have since filed a formal "Application for Changeover," copy mailed to your Office under separate cover.

10. I again remind you that you have received all payments and fees required on the due dates, to wit: \$1,000.00 on Sept. 19, 2007; a second \$1,000.00 on Oct. 18, 2007; a security deposit of \$177.00 as demanded by your Office on or about Sept. 24, 2007, and payment of a \$15.00 fee for electrical code safety inspection and approval to connect on Oct. 4, 2007. Thus some \$2,192.00 was duly paid on time, and some 2 months later I still do not have electric power connected to the house.

11. Attached please find a copy of a letter from Mr. Weaver addressed to the Court concerning the third payment due on or before Nov. 19, 2007.

12. Time is of the essence for your compliance with the terms of the Release to connect electric power.

Yours sincerely,


Beatrice E. Wallenstein
(aka Mrs. Beatrice Weaver)

Cc: Mr. Charles L.A. Terreni
Chief Clerk/Administrator
S.C. Public Service Commission

Mark W. Buyck, Jr. Esq
Counsel for Progress Energy

Daniel H. Shine, Esq.
Counsel for B. E. Wallenstein

FAX TO: MR CAGLE
PROGRESS ENERGY CAROLINAS INC

VIA FAX: 1 919 232 5601

FROM: BEATRICE WALLENSTEIN (AKA BEATRICE WEAVER)

SUBJECT: SIXTH NOTICE OF MUTUAL RELEASE DEFAULT AND
PENALTIES

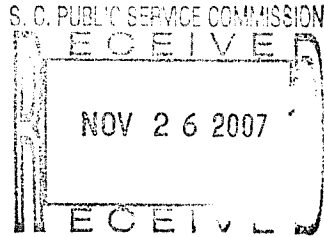
DATE: NOV. 14, 2007

MESSAGE:

1. PURSUANT TO PARA. 1 AND 2 OF THE RELEASE YOU ARE IN
DEFAULT AND DEMAND IS MADE TO CONNECT POWER.
2. UNDER SEPARATE COVER YOU SHOULD HAVE RECEIVED YOUR
COPY OF MY FORMAL APPLICATION FOR CHANGE OF PROVIDERS DATED
NOV. 1, 2007, PER PARA 5 OF THE RELEASE

PAGES: 3.

2004-219-C



P.O Box 7682
Florence, S.C.
29502

November 14, 2007

The Hon. James E. Lockemy
Judge, Court of Pleas
Dillon County
P.O. Box 750
Dillon S.C. 29536

Dear Judge Lockemy:

Subject: Mutual Release-Third Payment

Ref: Docket No. 2004-CP-17-00232
Progress Energy vs. Weaver
Letter dated Oct. 18, 2007 Re Rule 67 SCRCF
Deposit in Court.

This letter is respectfully filed with the Court relating to the third payment due on or before November 18, 2007 pursuant to paragraph 1 of the subject Mutual Release compromise and settlement agreement executed by the three parties on September 18, 2007. The second payment was deposited with the Court pursuant to my letter dated October 18, 2007.

Plaintiff in this case continues to be in violation of all five paragraphs of the Mutual Release, and both parties have filed memoranda seeking enforcement. Given the facts and circumstances of the case since September 18, 2007, I consider Plaintiff's motion to be frivolous and a nuisance, if not fraudulent, which issues shall be addressed to the Court in due course.

Meanwhile, in attempted mitigation of damages, Defendants have continued to give Plaintiff regular notices of its breach of the agreement. See attached **Exhibit A**, the latest in a series of such notices. Note also that a claim for a Late Penalty of \$100.00 per day, commencing October 5, 2007 shall be lodged with the Court, along with other claims for damages. All parties associated with Plaintiff have been given due notice on October, 5, 11, 15, 22, and Nov. 14, 2007. See attached Exhibit A.

Accordingly, because of Plaintiff's continued breach of the agreement and refusal to connect electric power as agreed, I have decided in good faith as a matter of prudence to withhold a deposit with the Court of the third payment as a set off to the claim for Late Penalty and other damages claimed against Plaintiff.

If this procedure is not acceptable to the Court, or if the Court may consider it to be in any way a breach of the agreement, please be advised that I stand ready, willing and

able to deposit the said third payment due on November 19, 2007, (allowing for Sunday the 18th), upon notice of the Court. Alternatively, the Court may consider extending the payment date until completion of the hearings on pending motions on or about December 10, 2007.

Respectfully submitted.

Gary Weaver, Defendant Pro Se

Attachments: Copy of letter to Plaintiff dated Nov. 14, 2007.
Copy of Mutual Release dated Sept. 18, 2007

Cc: Daniel H. Shine, Esq.
Mark W. Buyck, Jr, Esq.
Mr. Charles L.A. Terreni ✓
Chief Clerk/Administrator
S.C. Public Service Commission